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C.B.P.	Chk. Pages 11

Enter Registry

STATE OF NEW JERSEY
BUREAU OF SECURITIES
OFFICE OF ADMINISTRATIVE LAW
DOCKET NO. BOS 1242-97N

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5,000*

IN THE MATTER OF: : Administrative Action
: :
NEIL A. WHITE : CONSENT ORDER
: UNDER N.J.A.C. 1:1-19.1

The Bureau of Securities and Respondent, NEIL A. WHITE, have agreed to settle the remaining issue in this matter, namely, imposition of sanctions in addition to revocation of Respondent's registration as an agent, including the assessment of civil monetary penalties, on the terms set forth in this Consent Order, which terms have, with the Respondent's consent, been reviewed and approved by the Bureau Chief as confirmed by his entering this Consent Order.

The parties also wish to have the settlement terms incorporated in the record of the case. Accordingly, as provided in N.J.A.C. 1:1-19.1, the full terms of the settlement are set forth herein.

This proceeding was instituted in December 1996 when the Bureau filed an Administrative Complaint alleging that Respondent, who had been registered with the Bureau first, as an agent of the broker-dealer, Hibbard Brown & Co., Inc., from May 1988 to March 1992 and then, as an agent of the broker-dealer, L. C. Wegard & Co., Inc., from March 1992 until September 1995,

violated certain provisions of New Jersey's Uniform Securities Law, N.J.S.A. 49:3-47 et seq., regarding the conduct of an agent in connection with the offer, purchase and sale of securities.

Respondent, through counsel, timely filed an Answer denying certain of the allegations, admitting others and asserting certain affirmative defenses. On reviewing the Complaint and Answer, the Bureau determined the matter to be a contested case and, therefore, transmitted it to the Office of Administrative Law for a hearing, where it was assigned to Administrative Law Judge Elinor R. Reiner.

During the pendency of this matter, White was indicted by a federal grand jury for participating in a scheme to sell speculative, high risk securities by means of fraudulent sales practices. The federal charges were based upon, among other things, the same acts and practices White was alleged to have engaged in in the Administrative Complaint.

At the request of the office of the United States Attorney for the District of New Jersey, the Bureau sought and obtained an adjournment of this proceeding to avoid any prejudicial effect on prosecution of the federal criminal charges.

The federal charges were finally resolved by White's entering into an agreement (the "Plea Agreement") with the United States Attorney wherein, among others things, White agreed to

enter a guilty plea to certain of the charges against him, which plea was entered in February 1999, during a Plea Hearing before the Honorable William G. Bassler, U.S. District Judge, in U.S. v. Neil White, Criminal No. 98-414-4.

Respondent was represented by an attorney for purposes of responding to the Administrative Complaint and thereafter until after the Bureau obtained the adjournment of this proceeding mentioned above. He was also represented by an attorney throughout the federal proceeding. Despite being aware of his right to be represented by an attorney in connection with all aspects of this proceeding--including considering and entering into this Consent Order--and despite his having been represented by counsel during the federal proceeding, he has voluntarily chosen not to be so represented in this proceeding subsequent to its having been resumed.

On April 10, 2001, the Staff of the Bureau requested partial summary decision on the issue of retroactively revoking White's registration as a securities agent in New Jersey. Judge Reiner granted the motion, which was unopposed, in her Initial Decision Granting Partial Summary Decision which was mailed to the parties on October 26, 2001, finding that White's actions constituted three of the predicate acts which, coupled with her finding that the public interest would be served thereby, separately warrant revocation: (1) misrepresenting by making

untrue statements, failing to disclose material information and concealing fraudulent material; (2) being convicted of a crime involving a security; and (3) engaging in dishonest and unethical practices in the securities business (see, §58(a)(ii), (iii) and (vii) of the Securities Law).

Judge Reiner submitted her Initial Decision to the Bureau Chief for immediate review under N.J.A.C. 1:1-12.5(e). The Bureau Chief, in turn, concurred in Judge Reiner's having submitted the Initial Decision for immediate review and adopted the Initial Decision without modification in his November 26, 2001 final Decision and Order.

Thus, there remain only the issues of whether to assess additional sanctions and, in the case of civil monetary penalties provided for in §70.1 of the Securities Law, in what amount.

Having entered into the Plea Agreement and having had his registration revoked by the Initial Decision, White no longer wishes to contest the remaining issues and is disposed to conclude them on the terms and conditions of this Consent Order.

The Bureau is likewise disposed to conclude this matter according to those terms and conditions.

IT IS, THEREFORE, ORDERED, ON THE DAY WRITTEN BELOW,

THAT:

A. In accordance with the findings that Respondent violated the Securities Law as detailed in the Initial Decision:

1. He is hereby permanently barred from registration with the Bureau in any capacity.
2. He is hereby permanently enjoined from violating the Securities Law.
3. He is hereby assessed a civil monetary penalty pursuant to §70.1 of the Securities Law of five thousand dollars (\$5,000.00), which has been paid by Respondent's having caused to be physically delivered, on February 19, 2002, by United States Postal Service certified mail, to the Attorney General of the State of New Jersey, counsel for the Bureau of Securities, in care of the deputy attorney general designated to act on the Attorney General's behalf in this matter, at his office at 124 Halsey Street, Newark, New Jersey, a cashier's check to the order of the Bureau of Securities.

B. As evidenced by the Consent and Certification attached hereto as Exhibit A, which is an integral part hereof, Respondent consents to the terms and conditions of this Consent

Order and agrees that the sanctions imposed herein are: in the public interest, for the protection of investors and consistent with the policy and purposes intended by the Securities Law, as provided in § 67(b) thereof.

C. As provided in N.J.A.C. 1:1-19.1(d), this Consent Order is deemed the final decision in this matter.

D. This Consent Order is to be filed with the Clerk of the Office of Administrative Law and with Judge Reiner, as required by N.J.A.C. 1:1-19.1(2), as soon as practicable after it is entered.

NEW JERSEY BUREAU OF SECURITIES

By:

Franklin L. Widmann
Franklin L. Widmann, Esq., Bureau Chief

Date: February 29, 2002